

**DEPARTMENT OF STATE REVENUE  
LETTER OF FINDINGS NUMBER: 02-0565P  
Gross and Adjusted Gross Income Tax  
For Fiscal Year ended June 30, 2001**

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

**ISSUE(S)**

**I. Tax Administration – Penalty**

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

**II. Tax Administration – Interest**

**Authority:** IC 6-8.1-10.1

Taxpayer protests the interest assessed.

**STATEMENT OF FACTS**

Taxpayer filed its return with payment on March 26, 2002 and was assessed a late penalty. The original due date of the return was October 15, 2001. Taxpayer filed for a Federal Extension of time until March 15, 2002. The Department allows an additional thirty days. The Taxpayer's tax liability was \$6,920 that it remitted after the due date.

Taxpayer filed a penalty and interest protest dated November 19, 2002. Taxpayer states it filed its return on March 26, 2002.

**I. Tax Administration – Penalty**

**DISCUSSION**

Taxpayer protests the penalty assessed and states that it filed its return late based upon the advice of its outside tax professionals. Taxpayer filed its return on March 26, 2002 that is within the extension period.

Taxpayer was assessed a penalty for the late payment of its taxes, not for the late filing thereof.

IC 6-8.1-6-1 (c) states:

“If the Internal Revenue Service allows a person an extension on his federal income tax return, the corresponding due dates for the person’s Indiana income tax return are automatically extended for the same period as the federal extension, plus thirty (30) days. However, the person must pay at least ninety percent (90%) of the Indiana income tax that is reasonably expected to be due on the original due date by that due date, or he may be subject to the penalties imposed for failure to pay the tax.”

Taxpayer failed to remit its tax timely and has not provided reasonable cause to allow the department to waive the penalty.

**FINDING**

Taxpayer’s protest is denied.

**II. Tax Administration – Interest**

**DISCUSSION**

Taxpayer protests the interest assessed.

The Department has no statutory authority to waive interest.

**FINDING**

Taxpayer’s protest is denied.